

Arizona Special Education Programs and Cost Analysis

Project Overview and Status Update
June 2022



**ARIZONA DEPARTMENT
OF EDUCATION**



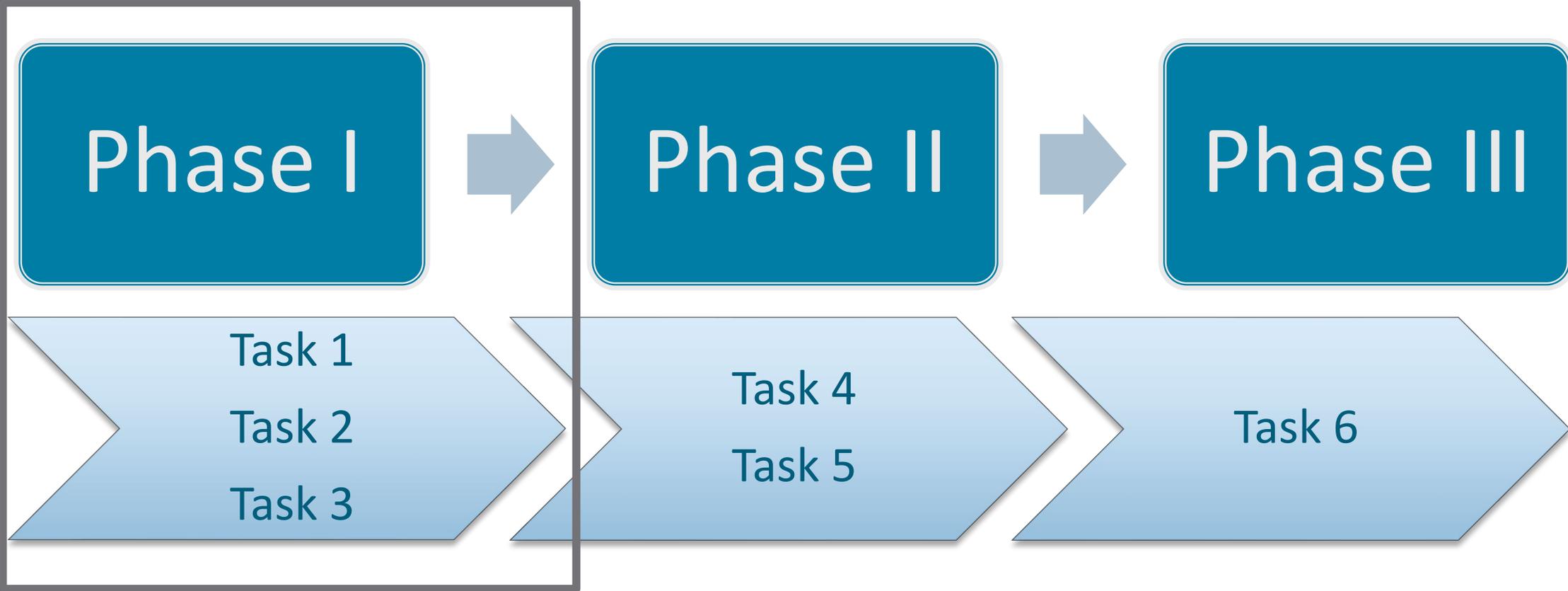
Purpose

- Provide a comprehensive picture of the funding needs for all children with disabilities who receive special education and related services under the Individuals with Disabilities Education Act in the Arizona public education system
- Provide ADE and stakeholders with the necessary data to propose policy changes in special education funding

Criteria for LEA Cohort

- Intended to represent a minimum of 20% of the public school special education population
- Inclusive of traditional public school districts and charter schools
- Inclusive of single site charters and LEAs, and larger charter networks
- Represent every county in Arizona
- Representative of urban and rural LEAs
- Representative of Impact Aid students
- Representative of K-8 and K-12 LEAs

Timeline Review



Phase I Report Issued – May 2022

Task One: Special Education Statewide Demographic and Staffing Trend Analysis

Objective/Task: Identify the change in the public education student population from 2009-10 school year to 2018-19 school year to include total change in percentage of public education student population, to include children with a disability or disabilities.

Methodology: Evaluate the student level demographic data for 2019 compared to 2010.

Data Source: ADE student demographic data

Population Sample: Statewide to include school districts and charter schools

Objective/Task: Identify the impact of the teacher and related service provider shortage on special education and identify the additional costs associated with special education staffing models compared to the average teacher pay for general education programs.

Methodology: Evaluate the teacher and related service provider vacancies as of October 2019. Determine the number and cost for filling these vacancies with vendor/contractors.

Data Source: District survey/data

Population Sample: Representative sample of LEAs

Phase I Outcomes

Task 1 – Enrollment Change

- Statewide public education enrollment increased 5%; however, special education population increased 15% during the same time period
- Disability categories with largest increases:
 - Developmental Delay
 - Mild Intellectual Disability
 - Other Health Impairment
 - Autism

Phase I Outcomes

Task 1 – Staffing Impact

- Special education teachers are paid on average 9% more than general education teachers
- Outsourced employees cost significantly more than LEA employees
 - Teacher - \$9,000
 - Occupational Therapist - \$37,000
 - Speech Pathologist - \$23,000

Task Two: Analysis of Transportation Trend Data and Direct Costs

Objective/Task: Identify the change in special education verses general education transportation route miles from 2010 to 2019. Compare this trend to total student enrollment trend data.

Methodology: Evaluate the submitted route mileage data for 2019 compared to 2010.

Data Source: ADE Trans55-1 data, total student enrollment data and special education designation data for same period

Population Sample: Statewide to include school districts and charter schools

Objective/Task: Evaluate the actual cost of special education transportation compared to the state-funded transportation formula.

Methodology: Identify the FY22 route costs compared to the per mileage funding model.

Data Source: District survey/data

Population Sample: Representative sample of LEAs

Phase I Outcomes

Task 2 – Statewide Transportation Change

- Total statewide transportation decreased
- Special education miles account for approximately 35%
- Students with disabilities account for approximately 11%
- Approximately 20% of students with disabilities are provided specialized transportation services

Phase I Outcomes

Task 2 – LEA Transportation Costs

- Special education cost per mile calculated at \$0.02 to \$10.43 per mile more than the state average
- Special education cost per mile calculated at \$0.74 to \$11.95 per mile more than the state funding formula
- Special education cost per student calculated at \$19 to \$16,590 more per student than the state per rider average

Special Education 2022 Cost per Mile Compared to 2019 and 2020 State Averages

LEA	SPED Cost per Mile	Additional Per Mile Cost Over State Average FY19	Additional Percentage Cost	Additional Per Mile Cost over State Average FY20	Additional Percentage Cost
Amphitheater Unified School District	\$ 4.57	\$ 0.28	7%	\$ 0.29	7%
Arizona School for the Deaf and Blind	\$ 4.44	\$ 0.15	4%	\$ 0.16	4%
Casa Grande Elementary School District	\$ 4.31	\$ 0.02	0%	\$ 0.03	1%
Chandler Unified School District	\$ 7.12	\$ 2.83	66%	\$ 2.84	66%
Chino Unified School District	\$ 3.51	\$ (0.78)	-18%	\$ (0.77)	-18%
Cottonwood Oak Creek Unified School District	\$ 8.29	\$ 4.00	93%	\$ 4.01	94%
Crane Elementary School District	\$ 3.83	\$ (0.46)	-11%	\$ (0.45)	-11%
Flagstaff Unified School District	\$ 6.95	\$ 2.66	62%	\$ 2.67	62%
Great Hearts Academies	\$ 5.40	\$ 1.11	26%	\$ 1.12	26%
Horizon Honors Community Schools	\$ 0.86	\$ (3.43)	-80%	\$ (3.42)	-80%
Lake Havasu Unified School District	\$ 6.98	\$ 2.69	63%	\$ 2.70	63%
Mesa Unified School District	\$ 4.44	\$ 0.15	3%	\$ 0.16	4%
Miami Unified School District	\$ 14.72	\$ 10.43	243%	\$ 10.44	244%
Parker Unified School District	\$ 10.98	\$ 6.69	156%	\$ 6.70	156%
Phoenix Union High School District	\$ 8.98	\$ 4.69	109%	\$ 4.70	110%
Prescott Unified School District	\$ 6.44	\$ 2.15	50%	\$ 2.16	50%
Santa Cruz Valley Unified School District	\$ 3.15	\$ (1.14)	-27%	\$ (1.13)	-26%
Sierra Vista Unified School District	\$ 8.43	\$ 4.14	96%	\$ 4.15	97%
Vail Unified School District	\$ 6.07	\$ 1.78	42%	\$ 1.79	42%
Washington Elementary School District	\$ 6.50	\$ 2.21	52%	\$ 2.22	52%
Whiteriver Unified School District	\$ 5.95	\$ 1.66	39%	\$ 1.67	39%

Special Education 2022 Cost per Student/Rider Compared to 2019 and 2020 State Averages

LEA	SPED Cost per S P E D Rider	Additional Per Student Cost Over State Average FY19	Additional Percentage Cost	Additional Per Student Cost over State Average FY20	Additional Percentage Cost
Amphitheater Unified School District	\$ 7,734.49	\$ 6,310.49	443%	\$ 6,364.49	465%
Arizona School for the Deaf and Blind	\$ 9,734.99	\$ 8,310.99	584%	\$ 8,364.99	611%
Casa Grande Elementary School District	\$ 7,562.41	\$ 6,138.41	431%	\$ 6,192.41	452%
Chandler Unified School District	\$ 8,126.00	\$ 6,702.00	471%	\$ 6,756.00	493%
Chino Unified School District	\$ 2,163.09	\$ 739.09	52%	\$ 793.09	58%
Cottonwood Oak Creek Unified School District	\$ 11,878.11	\$ 10,454.11	734%	\$ 10,508.11	767%
Crane Elementary School District	\$ 8,145.33	\$ 6,721.33	472%	\$ 6,775.33	495%
Flagstaff Unified School District	\$ 13,622.58	\$ 12,198.58	857%	\$ 12,252.58	894%
Great Hearts Academies	\$ 13,944.60	\$ 12,520.60	879%	\$ 12,574.60	918%
Horizon Honors Community Schools	\$ 7,923.69	\$ 6,499.69	456%	\$ 6,553.69	478%
Lake Havasu Unified School District	\$ 6,120.02	\$ 4,696.02	330%	\$ 4,750.02	347%
Mesa Unified School District	\$ 5,318.60	\$ 3,894.60	273%	\$ 3,948.60	288%
Miami Unified School District	\$ 4,858.95	\$ 3,434.95	241%	\$ 3,488.95	255%
Parker Unified School District	\$ 13,491.07	\$ 12,067.07	847%	\$ 12,121.07	885%
Phoenix Union High School District	\$ 11,653.48	\$ 10,229.48	718%	\$ 10,283.48	751%
Prescott Unified School District	\$ 7,613.35	\$ 6,189.35	435%	\$ 6,243.35	456%
Santa Cruz Valley Unified School District	\$ 11,279.83	\$ 9,855.83	692%	\$ 9,909.83	723%
Sierra Vista Unified School District	\$ 8,183.37	\$ 6,759.37	475%	\$ 6,813.37	497%
Vail Unified School District	\$ 1,389.57	\$ (34.43)	-2%	\$ 19.57	1%
Washington Elementary School District	\$ 6,232.55	\$ 4,808.55	338%	\$ 4,862.55	355%
Whiteriver Unified School District	\$ 17,962.34	\$ 16,538.34	1161%	\$ 16,592.34	1211%

Special Education 2022 Cost per Mile Compared to 2022 per Mile Funding

LEA	SPED Cost Per Mile	Additional per Mile Cost Over Per Mile Funding FY22	Additional Percentage Cost
Amphitheater Unified School District	\$ 4.57	\$ 1.80	42%
Arizona School for the Deaf and Blind	\$ 4.44	\$ 1.67	39%
Casa Grande Elementary School District	\$ 4.31	\$ 1.54	36%
Chandler Unified School District	\$ 7.12	\$ 4.35	101%
Chino Unified School District	\$ 3.51	\$ 0.74	17%
Cottonwood Oak Creek Unified School District	\$ 8.29	\$ 5.52	129%
Crane Elementary School District	\$ 3.83	\$ 1.06	25%
Flagstaff Unified School District	\$ 6.95	\$ 4.18	97%
Great Hearts Academies	\$ 5.40	\$ 2.63	61%
Horizon Honors Community Schools	\$ 0.86	\$ (1.91)	-44%
Lake Havasu Unified School District	\$ 6.98	\$ 4.21	98%
Mesa Unified School District	\$ 4.44	\$ 1.67	39%
Miami Unified School District	\$ 14.72	\$ 11.95	279%
Parker Unified School District	\$ 10.98	\$ 8.21	191%
Phoenix Union High School District	\$ 8.98	\$ 6.21	145%
Prescott Unified School District	\$ 6.44	\$ 3.67	85%
Santa Cruz Valley Unified School District	\$ 3.15	\$ 0.38	9%
Sierra Vista Unified School District	\$ 8.43	\$ 5.66	132%
Vail Unified School District	\$ 6.07	\$ 3.30	77%
Washington Elementary School District	\$ 6.50	\$ 3.73	87%
Whiteriver Unified School District	\$ 5.95	\$ 3.18	74%

Task Three: Analysis of Residential Treatment Center and Private Placement Costs Compared to the Funding Formula

Objective/Task: Identify the cost for residential treatment center and private placement options compared to the funding formula.

Methodology: Evaluate the out-of-state and private placement costs and compare to the state funding formula.

Data Source: District survey/data

Population Sample: Representative sample of LEAs

Phase I Outcomes

Task 3 – Private Placement and Residential Treatment Centers Costs

- Private placement cost exceed the state funding formula by over 82%
- Students in private placement represented only 2% of the students with disabilities in the LEA sample

Questions on Task 1, 2 or 3

Task Four: Analysis of Special Education ESAs as a Total Cost of the ESA program Compared to the Public Education Proportionate Distribution of State Revenues Between General Education and Special Education

Objective/Task: Determine statewide ESA special education cost as a component of the total cost of the ESA program and of overall special education costs compared to the public education proportionate distribution of state revenues between general education and special education.

Methodology: Aggregate statewide data for ESAs provided for those designated special education to provide an overall look at how much the ESAs cost for special education as a component of overall special education costs.

Data Source: Statewide ESA data

Population Sample: Statewide to include ESA specific data

Phase II Current Work

Task 4 – ESA Cost Analysis

- Gathering data from ADE for FYs 2018 through 2022

Task Five: Analysis of Special Education Direct Program Costs

Objective/Task: Identify the actual additional costs related to state and locally funded special education services. Determine the total cost for providing public education to special education in comparison to the Arizona funding model provided.

Methodology: Evaluate the actual costs for both instructional and related service providers to deliver services to students with disabilities. Identify expenditures for students with multiple disabilities. Identify funding formula in comparison to actual costs. Financial costs will include the additional salaries, benefits, and non-payroll expenditures beyond what would have been expended by the LEA for general education programs.

Data Source: District survey/data

Population Sample: Representative sample of LEAs

Phase II Current Work

Task 5 – Special Education Direct Program Costs

- LEAs gathered special education provider time details during April
- Obtained Medicaid billing companies to assist in gathering time details to lessen the impact on LEAs
- LEAs provided complete year of cost/financial information for FY22

Questions on Task 4 and 5

Task Six: Model Design Evaluation and Financial Analysis

Objective/Task: identify the cost for certain program models.

Methodology: Analyze costs and considerations for design and planning for models based on the staffing structures and components involved.

Data Source: District survey/data and/or focus groups with LEA leaders and special education administrators. Research and input from special education financing and program design and monitoring experts.

Population Sample: Program Sample of LEAs

* Note – HeinfeldMeech will only be responsible for the financial aspect of the program design and financial analysis of this phase.

Phase III Planning

Task 6 - Early stages in establishing scope

- Examine choice points around planning and design of special education continuum of service and service delivery models
- Examine choice points around continuum of placement
- Blending funding streams
- Examine how LEAs monitor effectiveness of staffing and instructional framework

Questions on Task 6

Questions / Discussion



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